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Navy repairs damage done by Walkers, chief says

By Charles W. Corddry
Washington Bureau of The Sun

WASHINGTON — At an estimated cost of \$100 million, the Navy has now repaired damage done by the Walker spy ring and sealed off its secret communications from interception by the Soviet Union, Adm. James D. Watkins, chief of naval operations, said in an interview.

He indicated that the Russians might still have useful information obtained from the ring about Navy operating procedures, but said the Atlantic and Pacific fleets were making changes in tactics that would keep the Soviets "confused as to what our intentions are."

Admiral Watkins, who will retire Monday after 37 years' service, also said the United States was still ahead of the Soviet Union in military uses of space and the services had not yet been hurt by the grounding of the space shuttle. He thus contradicted a claim in a British reference book, the 1986 "Jane's Space Flight Directory," that the Soviets had an "almost frightening" lead in space.

Discussing the U.S. military buildup, the admiral said some goals of the 600-ship Navy now would be delayed two years, to 1992, because of congressional cuts. And he warned that not only the armed services but the civilian labor force faced a severe manpower crunch at the turn of the decade as the youth

population declined.

Admiral Watkins, 59, will turn over the Navy to Adm. Carlisle A. H. Trost, 56, in a ceremony at the Naval Academy Monday, after serving as the top uniformed officer during what he called "golden years" of rebuilding and expansion of the fleets. A period of retrenchment may lie ahead for Admiral Trost, with Congress pushing defense from a high peak to a low valley, as Admiral Watkins put it.

The most serious damage done the Navy by the ring headed by convicted spy John A. Walker Jr. had to do with coded communications — messages flowing through the fleets and data on equipment used — it has been previously reported.

Admiral Watkins said the Navy accelerated delivery of new cryptographic and other equipment "which we normally would not have fielded till later" in order to foil Soviet use of information from the Walkers.

He said the Navy had now "closed off" the Soviets' opportunity to use what they got from Walker on ways "to look into our classified communications system and to keep gleaning information out of it."

The cost of changes in machinery and coding systems, the admiral said, was "probably around \$100 million."

If the compromises in naval security had come "during a time of conflict," he said, "it would have been

devastating to the United States, without any question." As matters turned out, however, the case may have been a "blessing in disguise."

As a result of the spying disclosures, he said, there has been renewed congressional effort to invoke the death penalty for peacetime espionage. Numbers of Soviet diplomats and their rights to travel — "obviously for gathering intelligence" — have been reduced. Secrecy clearances are granted to fewer people in government and industry. Military procedures are changed more frequently, diminishing the value of data gathered from spies. Lie detectors are used more — "I know they are a controversial issue but they tend to be a great deterrent" to spying, he said.

Amplifying his views on the military uses of space, Admiral Watkins said unmanned satellites were the "eyes and ears" of the Navy — used for communications, surveillance, intelligence-gathering, weather forecasting and meshing with data from intelligence agents on the ground.

"We have in fewer satellites ... such incredible technology put together by American genius that I believe we're well ahead of the Soviets overall," he said. There is so much "redundancy" in these systems, he said, that "right now, today, we haven't been hurt" by the stopping of shuttle operations. Plans are being drawn for future satellite launches with expendable boosters. "We're still solid with the sensors we have up there" in space, he said.

The Navy will reach its 600-ship fleet on schedule at the end of the decade, Admiral Watkins said, but some related goals will now be delayed to 1992 because of budget reductions. Other sources said these would involve some kinds of ammunition and spare parts, among other things.

Admiral Watkins' key concern seemed to be manpower. He said the services 10 years ago needed to enlist one of every three qualified 18-year-old males. Today the figure is one of every 2.5. By 1990, it will be one of every two.